

**SKP RESOURCES BHD**  
(Company No: 524297-T)  
Incorporated in Malaysia under the Companies Act, 1965

**Notes (In compliance with FRS 134)**

**A1. Accounting policies and methods of computation**

The unaudited interim financial report has been prepared in accordance with FRS 134 Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB").

The interim financial report should be read in conjunction with the Group's annual audited Financial Statements for the year ended 31 March 2009.

The accounting policies and computation method adopted for the interim financial statements are consistent with those adopted for the last annual audited financial statements except for the following new Financial Reporting Standards ("FRS") and interpretation which were issued but not yet effective and have not been applied by the Group and the Company :-

FRS 7        Financial Instruments : Disclosure  
FRS 8        Operating Segments  
FRS 123      Borrowing Costs  
FRS 139      Financial Instruments : Recognition and Measurement  
Amendments to FRS 1 : First-time Adoption of Financial Reporting Standards  
Amendments to FRS 2 : Share-based Payment - Vesting Conditions and Cancellations  
Amendments to FRS 127 : Consolidated and Separate Financial Statements : Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate  
IC Interpretation 9 : Reassessment of Embedded Derivatives  
IC Interpretation 10 : Interim Financial Reporting and Impairment  
IC Interpretation 11 : FRS 2 - Group and Treasury Share Transactions  
IC Interpretation 13 : Customer Loyalty programmes  
IC Interpretation 14 : FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The new FRS and Interpretations above are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application except for the changes in disclosures arising from the adoption of FRS 8.

The Group and the Company is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 7 and FRS 139.

**A2. Qualification of financial statements**

There were no audit qualifications on the annual financial statements for the year ended 31 March 2009.

**A3. Seasonal or cyclical factors**

The business operations of the Group were not affected by any seasonal or cyclical factors.

**A4. Unusual items**

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence during the current quarter.

**A5. Nature and amount of changes in estimates**

There were no changes in estimates of amounts reported in the current quarter under review.

**A6. Issuance, cancellation, repurchase, resale and repayment of debt and equity securities**

There were no issuance, cancellation, repurchases, resale and repayment of debt and equity securities for the current quarter under review. As at 30 June 2009, total shares repurchased were 1,312,800 and all the shares repurchased were held as treasury shares in accordance with Section 67A of the Companies Act, 1965. None of the shares held were resold or cancelled during the current quarter.

**A7. Dividend paid**

No dividend was paid or declared during the quarter under review.

**A8. Segmental reporting for the current year to date****By business segments**

	Investment holding and provision of management services <u>RM'000</u>	Plastic injection moulding & secondary processes <u>RM'000</u>	Letting of property <u>RM'000</u>	Dormant <u>RM'000</u>	Elimination <u>RM'000</u>	Total <u>RM'000</u>
<b>Revenue</b>						
External sales	-	42,132	31	-	-	42,163
Inter-segment sales	161	3,918	168	-	(4,247)	-
Total	<u>161</u>	<u>46,050</u>	<u>199</u>	<u>-</u>	<u>(4,247)</u>	<u>42,163</u>
<b>Results</b>						
Operating profit	341	3,760	46	(2)		4,145
Interest expense						(23)
Interest income						155
Profit before taxation						4,277
Tax expense						(915)
Profit after taxation						<u>3,362</u>

**A9. Valuation of property, plant and equipment**

There was no revaluation for property, plant and equipment of the Group.

**A10. Material events subsequent to the end of the current quarter**

There were no material events subsequent to the end of the current quarter.

**A11. Effect of changes in the composition of the Group**

There were no material changes in the composition of the Group for the quarter under review and financial year to-date.

**A12. Changes in contingent liabilities or contingent assets**

As at 26 August 2009 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report), the group has no material contingent liabilities or assets, which upon materialisation would have a material impact on the profit or net assets of the group.

**Additional information required by the BMSB Listing Requirements****B1. Review of performance of the Company and its principal subsidiaries**

The Group recorded a turnover of RM42.16 million with profit before tax of RM4.28 million for the current financial year to date as compared to RM42.11 million and RM4.14 million in the preceding year corresponding period respectively.

Profit before tax was marginally higher mainly due to different products mix.

**B2. Comparison with preceding quarter's results**

Compared with preceding quarter, the revenue had decreased by 46.3% from RM78.52 million to RM42.16 million. However, profit before tax increased from a loss before tax of RM4.15 million in last quarter to a profit before tax of RM4.28 million mainly due to products mix.

**B3. (a) Prospects for the next financial year**

The Board of Directors expects the Group to remain profitable. Despite the current economic slowdown due to global financial crisis, the Board will endeavour to achieve satisfactory results for the financial year ending 31 March 2010.

**(b) Status of Profit Estimate, Forecast or Internal Targets**

The Group has not provided any profit estimate, forecast or internal targets during the quarter under review.

**B4. Variance of actual and forecasted profit**

The Group has not provided any quarterly profit forecast and therefore no variance information is available for presentation.

**B5. Taxation**

	Individual period		Cumulative period	
	Current year quarter	Preceding year corresponding quarter	Current year to-date	Preceding year corresponding period
	30/06/2009	30/06/2008	30/06/2009	30/06/2008
	RM'000	RM'000	RM'000	RM'000
Current taxation	932	821	932	821
Transfer to/(from) deferred taxation	(17)	-	(17)	-
Under/(Over) provision of income tax in prior year	-	-	-	-
Under/(Over) provision of deferred taxation in prior year	-	-	-	-
	<u>915</u>	<u>821</u>	<u>915</u>	<u>821</u>

The effective tax rate of the Group for the current quarter and financial year to-date is lower than the statutory income tax rate due to the utilisation of reinvestment allowances of subsidiaries.

**B6. Profit on sale of unquoted investments and/or properties**

There was no sale of unquoted investments and/or properties during the current quarter under review.

**B7. Purchase or disposal of quoted securities**

Particulars of purchase and disposal of quoted securities by the Group are as follows:

(a) Total purchase consideration, sales proceeds and profits results arising there from :

	Current year quarter 30/06/2009 RM'000	Current year to-date 30/06/2009 RM'000
Total purchase consideration	-	-
Total sales proceeds	139	139
Gain on disposal	67	67

(b) Investment in quoted securities as at 30 June 2009 are summarised below : -

At cost	1,488
At carrying value / book value	511
At market value	511

**B8. Status of corporate proposal**

There were no corporate proposals announced but not completed as at 26 August 2009.

**B9. Borrowings and debt securities**

The company did not issue any debt securities or long term borrowing during the quarter period.

The Group's borrowings all of which were denominated in Ringgit Malaysia as at 30 June 2009 were as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Long term borrowings	-	-	-
Short term borrowings	379	-	379
	<u>379</u>	<u>-</u>	<u>379</u>

**B10. Off balance sheet financial instruments**

There are no financial instruments with off balance sheet risk as at the date of this report.

**B11. Material litigation**

There are no material litigations as at 26 August 2009.

**B12. Dividend**

The Board of Directors has proposed a final tax-exempt dividend for the financial year ended 31 March 2009 of 0.5 sen per share for the approval of the shareholders at the forthcoming Annual General Meeting of the Company.

**B13. Earnings per share****(a) Basic**

Basic earnings per share is calculated by dividing the net profit for the period by the number of ordinary shares in issue during the period.

	<b>Current year quarter 30/06/2009</b>	<b>Current year to date 30/06/2009</b>
Net profit for the period (RM'000)	3,362	3,362
Number of ordinary shares in issue ('000)	598,687	598,687
Basic earnings per share (sen)	0.56	0.56

**(b) Diluted**

N/A

N/A

There is no diluted earnings per share as the Group does not have any convertible financial instruments as at the current quarter and current year to date.